

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Notice LP-1692

For: State and County Offices

Revised Policy for Repayment Rates Locked-In on CCC-681-1

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A

Background

Numerous inquiries have been received about extending CCC-681-1 when producers are unable to complete delivery of commodities before expiration of CCC-681-1 because elevators are unable or unwilling to accept any deliveries.

Current procedure requires farm-stored commodities released on CCC-681-1 that are not delivered before expiration of CCC-681-1 to be repaid at a rate that may be higher than the rate locked-in on CCC-681-1.

This policy has caused a great hardship to producers because of the extremely distressed farm economy.

B

Purpose

This notice provides the revised policy to State and County Offices for handling commodities on CCC-681-1.

Disposal Date

January 1, 2000

Distribution

State Offices; State Offices relay to County Offices

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2 Action

A

Revised Policy

Effective immediately, SED or designee is authorized to extend CCC-681-1 when producers are unable to complete delivery of commodities before expiration of CCC-681-1 because elevators are unable or unwilling to accept any deliveries.

Extensions may be for a reasonable amount of time until elevators are accepting deliveries.

County Offices shall allow producers with loans maturing on July 31 and August 31, 1999, who are unable to complete delivery for reasons outlined in this notice, to repay quantities included on CCC-681-1 at the lesser of the following:

- locked-in rate on CCC-681-1
- repayment rate in effect on the date repayment is received.

Loans that mature on July 31, 1999, for which repayment is made after August 2, 1999, must be repaid at principal plus interest.

B

State Office Action

Immediately notify County Offices of the contents of this notice using all available sources.
